Declassified/Released US Department of State EO Systematic Review 30 JUN 2005

Message Text

LIMITED OFFICIAL USE

PAGE 01 BERLIN 00439 111037Z

15
ACTION EUR-25

INFO OCT-01 ISO-00 CIAE-00 DODE-00 PM-07 H-03 INR-10 L-03

NSAE-00 NSC-07 PA-04 RSC-01 PRS-01 SPC-03 SS-20

USIA-15 ACDA-19 NIC-01 SAJ-01 AID-20 EB-11 CIEP-02

TRSE-00 STR-08 OMB-01 CEA-02 COME-00 DRC-01 /166 W
---------- 056351
R 111000Z MAR 74
FM USMISSION BERLIN
TO SECSTATE WASHDC 3099
INFO AMEMBASSY BONN
AMEMBASSY BRUSSELS
AMCONSUL FRANKFURT
AMEMBASSY THE HAGUE
AMEMBASSY LONDON

LIMITED OFFICIAL USE BERLIN 0439

E.O. 11652: N/A
TAGS: EGEN,GE
SUBJECT: COMMUNIST CAR SALES ON WESTERN MARKETS

REF;

A. STATE 10606 (NOTAL
B. FRANKFURT 599
C. C-ER-4-57806

1. ACCORDING TO 1973 GDR STATISTICAL YEARBOOK, GDR EXPORTS OF AUTOMOBILES IN 1971 WERE VALUED AT MARKS 259.5 MILLION. OF THIS AMOUNT, MARKS 188.2 MILLION WERE EXPORTED TO CEMA DESTINATIONS WITH ONLY MARKS 1.9 MILLION GOING TO "OLD SIX" OF EC AND MARKS 4.0 MILLION TO EFTA.

2. GDR STATISTICS DO NOT PROVIDE BREAKDOWN ON EXPORTS
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 BERLIN 00439 111037Z

TO WESTERN EUROPEAN COUNTRIES, BUT AMOUNTS INVOLVED

Declassified/Released US Department of State EO Systematic Review 30 JUN 2005

Declassified/Released US Department of State EO Systematic Review 30 JUN 2005

CLEARLY ARE OF NO GREAT CONSEQUENCE. ACCORDING TO IZT OFFICE HERE, VALUE OF GDR AUTOMOBILE EXPORTS TO FRG IN 1972 WAS 227,000 ACCOUNTING UNITS (VE). SUCH EXPORTS DROPPED TO 124,000 VES IN 1973. THIS SEEMS TO CONTRADICT INFORMATION OBTAINED BY CONGEN FRANKFURT FROM AUTOMOBILE INDUSTRY FEDERATION. HOWEVER, WE WOULD NOTE THAT FIGURES REPRESENT NEGLIGIBLE QUANTITY OF IMPORTS: EVEN ON ASSUMPTION THAT AVERAGE PRICE FOR WARTBURG IS AS LOW AS MARKS 5,000, NUMBER EXPORTED TO FRG WOULD HAVE BEEN 45 IN 1972 AND 25 IN 1973.

3. BIGGEST WESTERN EUROPEAN MARKET FOR GDR AUTOMOBILE INDUSTRY APPEARS TO BE UK. WE ARE TOLD BY BRITISH EMBASSY IN EAST BERLIN THAT APPROXIMATELY 5,000 WARTBURGS PER ANNUM ARE IMPORTED BY UK. WE ARE FURTHER INFORMED THAT IN 1973 STANDARD WARTBURG SEDAN SOLD FOR POUNDS 640 AND WARTBURG STATION WAGON FOR POUNDS 720.

4. ACCORDING TO DUTCH TRADE STATISTICS, WARTBURGS IMPORTED INTO NETHERLANDS IN 1972 NUMBERED 528 AND WERE VALUED AT GUILDERS 1.1 MILLION. CORRESPONDING FIGURES FOR FIRST NINE MONTHS OF 1973 WERE 408 AND GUILDERS 900.000.

5. BELGIAN EMBASSY EAST BERLIN INFORMED US THAT IN 1973 DISASSEMBLED AUTOMOBILES AND TRUCKS OF GDR ORIGIN VALUED AT 21 MILLION BELGIAN FRANCS WERE EXPORTED TO BELGIUM FOR ASSEMBLY AND SALE IN THAT COUNTRY.

6. COMMENT. OBVIOUS THAT GDR AUTOMOBILE INDUSTRY NOT SERIOUS COMPETITOR OF WESTERN VEHICLE MANUFACTURERS AT THIS TIME. ALTHOUGHT GDR CARS HAVE REPUTATION FOR DURABILITY AND ECONOMY OF OPERATION, THEY ARE SMALL, LACK POWER AND HAVE TWO-STROKE ENGINES WHICH ARE OBJECTIONABLE FOR ENVIRONMENTAL STANDPOINT. WARTBURG SALES IN WEST, PARTICULARLY IN UK, SEEM TO RESULT FROM CERTAIN ATTRACTION SMALL, ECONOMICAL, AND RELATIVELY INEXPENSIVE CAR HAS FOR SPECIFIC CATEGORY OF CUSTOMER.BORG

LIMITED OFFICIAL USE

NNN

Declassified/Released US Department of State EO Systematic Review 30 JUN 2005

Declassified/Released US Department of State EO Systematic Review 30 JUN 2005

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: SALES, AUTOMOBILES, COMMUNIST COUNTRIES TRADE
Control Number: n/a
Copy: SINGLE
Draft Date: 11 MAR 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: golinofr
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1974BERLIN00439
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: n/a
From: BERLIN
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1974/newtext/t19740354/aaaabyme.tel
Line Count: 98
Locator: TEXT ON-LINE
Office: ACTION EUR
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators:
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: golinofr
Review Comment: n/a
Review Content Flags:
Review Date: 28 MAR 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <28 MAR 2002 by collinp0>; APPROVED <04 JUN 2002 by golinofr>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: COMMUNIST CAR SALES ON WESTERN MARKETS
TAGS: EGEN, GC, XM, XS
To: STATE
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005

Declassified/Released US Department of State EO Systematic Review 30 JUN 2005